



Saskatchewan  
Ministry of  
Agriculture

*This information is provided as a resource by Saskatchewan Agriculture staff.  
All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.  
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## **Cattle Market Update**

For the Week Ending December 6, 2013

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

### **Feeder Cattle**

#### **Steers**

	Range	Average	Change from last week
300-400	170-198	183.57	-4.40
400-500	163-192	175.18	-1.26
500-600	153-175	160.95	-1.70
600-700	146-164	153.95	+1.66
700-800	140-157	148.06	+2.23
800-900	131-149	139.29	-0.50
900+	126-141	136.19	+3.56

#### **Heifers**

	Range	Average	Change from last week
300-400	140-166	148.95	-3.66
400-500	136-162	148.00	-2.35
500-600	132-154	140.88	-0.27
600-700	127-145	134.10	-0.30
700-800	121-138	128.05	-1.95
800+	120-135	125.67	+1.72

Source: Canfax.

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week.

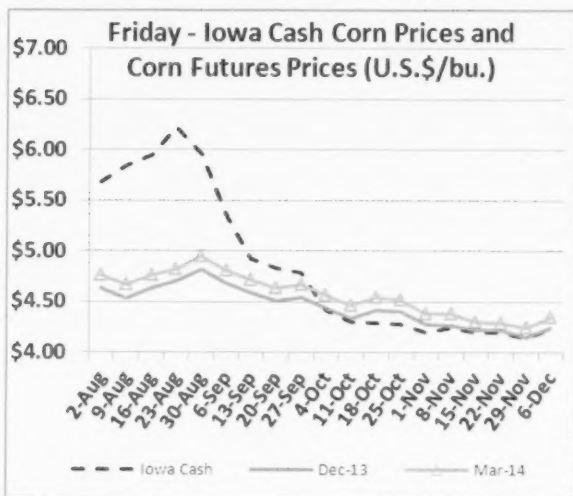
Canfax reported that a total of 37,044 head of cattle were sold in Saskatchewan this week, down from 39,231 head marketed the previous week.

Feeder cattle prices were mixed over the week. Average prices for feeder steers ranged from \$4.40 per cwt lower to \$3.56 per cwt higher. The feeder steers in the 900+ lb. weight category had the largest gain from the previous week increasing \$3.56 per cwt, while the 300-400 lb. weight category had the largest loss at \$4.40 per cwt. Losses over the week were primarily in the light-weight categories less than 600 lbs.

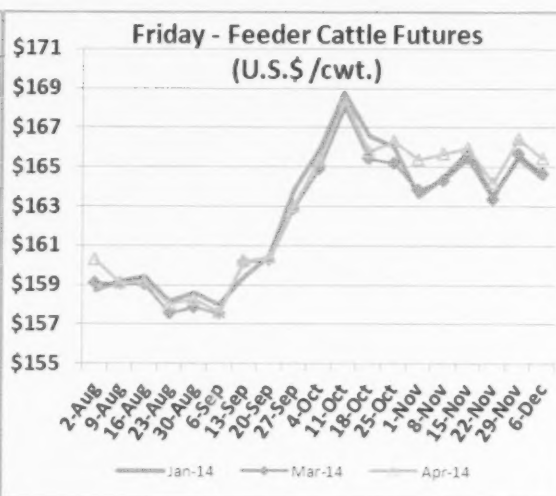
Feeder heifer prices were mostly lower over the week. Feeder heifer prices ranged from \$3.66 per cwt lower to \$1.72 per cwt higher. The 800+ lb. weight category had the only gain increasing \$1.72 per cwt. The 300-400 lb. weight category decreased the most at \$3.66 per cwt. All weight categories under 800 lbs. had losses over the week with the larger losses at the lower weights. Price declines in the light weight feeders were likely due to the colder weather in Western Canada and the challenges associated with starting these feeder cattle in the cold weather.

The Saskatchewan 750 lb. feeder steer basis compared to the December 5, 2013 U.S. feeder cattle index at US\$165.79 per cwt was calculated at -\$28.61 per cwt (US\$165.79/0.9384 - \$148.06), a basis narrowing of \$0.40 per cwt from -\$29.01 per cwt the previous week.

Iowa cash corn prices and nearby corn futures moved higher over the week. The Iowa cash price as of Friday was US\$4.23 per bushel, up 9 cents from the previous week (Wed). The December corn futures contract was almost 9 cents higher to settle Friday at US\$4.24 per bushel while the March contract increased almost 10 cents to close the week at US\$4.34 per bushel.



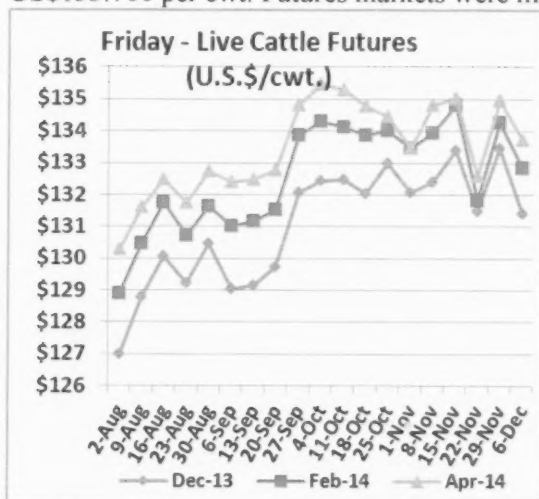
Source: CME



Source: CME

Feeder cattle futures prices moved lower over the week with the January to March contracts decreasing between US\$0.95 per cwt and US\$1.00 per cwt, week-over-week. The feeder contracts are trading in a narrow range as the January contract settled the week at US\$164.475 per cwt while the April contract settled the week at US\$165.450 per cwt.

Live cattle futures prices were also lower over the week. The December to April contracts decreased between US\$1.27 per cwt and US\$2.05 per cwt, week-over-week. The December contract settled the week at US\$131.425 per cwt while the April contract settled the week at US\$133.700 per cwt. Futures markets were likely pressured lower by increases in corn prices.



Source: CME



Source: CANFAX, LMIC

### ***Fed and Non-fed Cattle***

	<b>December 6</b>	<b>November 29</b>	<b>Change</b>
<b><u>Cows (Alberta)</u></b>			
D1,2 Live	70.30	69.79	+0.51
D3 Live	63.42	63.42	+0.00
Rail	140-145	134-139	+6.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were mixed from the previous week with D1,2 slaughter cows increasing \$0.51 per cwt to average \$70.30 per cwt, while D3 slaughter cows were unchanged from last week to average \$63.42 per cwt.

Fed cattle prices in Western Canada were again higher over the week. Fed steers in Alberta were reported to average \$127.40 per cwt, up \$0.93 per cwt from \$126.47 per cwt the previous week. Fed cattle prices in Alberta were again at new all-time highs. The price spread between Alberta fed steers and the U.S. 5-area average fed steer price has been wider than a year ago for November and early December 2013. The average price spread over the last two weeks was almost \$14 per cwt, double from the same two weeks in 2012. The widening basis could be caused by changes in demand because of the new Country of Origin Labeling requirements. However, the prices spreads in late October 2012 were greater than October 2013, likely due to the closure of the XL Beef Plant in Alberta.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$131.86 per cwt, down from US\$132.66 per cwt the previous week. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$208.78 per cwt, down 0.3 per cent from the previous week.

Beef cutout prices averaged US\$202.65 per cwt over the week, up from US\$202.04 per cwt the previous week (Choice 600-900 lb.). Beef production for the week averaged 505.0 million lb., up 13.6 per cent from 444.7 million lb. the previous shorter Thanksgiving week. Weekly cattle slaughter numbers totaled 629,000 head, up 13.3 per cent from 555,000 head the previous week.

Note: Cow-calf producers in Saskatchewan are reminded to check with their local market operators regarding current market conditions for non-fed cattle. Producers are also reminded that old, thin cows have a very low market value. The non-fed prices quoted each week do not represent the market price for these animals. As an alternative to transporting these animals, you may want to check with your local veterinarian or the nearest Canadian Food Inspection Agency (CFIA) office to see if these animals are eligible for testing as part of the bovine spongiform encephalopathy (BSE) surveillance program. Producers receive \$75 from the CFIA for each eligible sample submitted. The goal of this program is to prove that the BSE control measures implemented in Canada are working.

## Friday Price Information

Product	This Week (December 6)	Week of: (November 29)
<b>Canadian Dollar</b> (closing rate US\$)	.9384	.9416
<b>U.S. Cash Cattle</b>		
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)	165.79	164.63
Seven-day Weighted Average FC Index Wt. (lb.)	737	751
Live Fed 5-area Steer Price (US\$ per cwt)	131.86	132.66
<b>Feed Grains</b>		
<b>Barley</b> Lethbridge (\$/tonne)	184.00	180.00
(\$ per bu.)	4.01	3.92
<b>Corn</b> Iowa State Average (CDN\$/tonne)*	177.46	173.09
(US\$ per bu.)(Wed. 27/corn)	4.23	4.14
Omaha, NE (CDN\$/tonne)*	178.30	172.67
(US\$ per bu.)	4.25	4.13
<b>Futures</b>		
December Corn (US\$ per bu.)	4.24	4.15¼
March Corn (US\$ per bu.)	4.34¼	4.24½
December Live Cattle (US\$ per cwt)	131.425	133.475
February Live Cattle (US\$ per cwt)	132.850	134.250
January Feeder Cattle (US\$ per cwt)	164.475	165.475
March Feeder Cattle (US\$ per cwt)	164.675	165.675

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News

\* conversion to CDN\$ is based on Friday's CDN\$ closing rate

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